LICENSES AND CONSUMER SERVICES LICENSE INSPECTOR'S REPORT

License Number: L216-50161 Police File Number: 13452

Date of Application: October 25, 2013

Inspector: Ronald Martin, 612-673-3903

Applicant/Legal Entity: H & S, LLC.

DBA/Trade Name: Hammer & Sickle

Complete Address: 1300 Lagoon Avenue South, Minneapolis, MN 55408

License Requested: Class "E" On-Sale Liquor with Sunday Sales

Current License: None.

Purpose of Application: To obtain a new On-Sale Liquor with Strong Beer, Class E

License

Responsible person within 75 miles of Minneapolis City Hall: Anthony Ostlund

Public Hearing Requirement: A public hearing is not required for this license.

License Conditions: None

Neighborhood/Ward: Lowry Hill East/ 10

Zoning: C3A/PO – This is a permitted use in the Community Activity

Center District/Pedestrian Oriented Overlay District

7 acre requirement: Met

Off-Street Parking: The Office of the Zoning Administrator has determined that

no parking spaces are required to be provided on site. The

applicant has contracted with a private parking lot to

provide parking to customers.

Churches or schools within 300 feet of the proposed premises: No

Seating: 76 Seats

Fire Occupancy: 93

Food Service Requirement: The applicant is required to operate as a restaurant subject

to the 60/40 ratio of food to alcohol sales. No more than

40% of gross annual sales may be from alcohol.

Hours of operation proposed: 4:00 P.M. to 2:00 A.M. Monday through Friday

10:00 A.M. to 2:00 A.M Saturday through Sunday

Metropolitan Council Service Availability Charges: Paid

HISTORY OF LOCATION

This location was previously occupied by Kinsen Noodle Shop and Bar, the holder of an On-Sale Liquor License, Class E, from April of 2011 to March of 2013.

APPLICANT

The applicant is H & S, LLC, a Minnesota corporation formed on July 10, 2013, under Chapter 322B (File Number 680929500021), having the required restriction on the transfer of stock and has the following members:

Name <u>Title</u> <u>Percentage of Interest</u>

Gene Suh Member 100%

The applicant meets all minimum requirements including criminal background check.

MANAGERS

The manager at Hammer & Sickle will be Anthony Oslund. Mr. Oslund has worked in the restaurant industry from 2006 to the present, including employment at the Lyndale Tap House and Bar Abilene, both in Minneapolis.

POLICE REVIEW

Police Licensing and this Inspector have reviewed the expenses and source of funds reported in this application. The applicant has provided documentation showing adequate legal and traceable funding for this venture and has passed the criminal background check. The Fifth Precinct of the Minneapolis Police Department has discussed security issues with the applicant.

PREMISES

The licensed premises are located on the street level in a multi-use building at 1300 Lagoon Avenue South. The business premises occupy approximately 2,468 square feet. There are 27 tables for dining with seating for 68 guests. The bar area is approximately 19 feet in length and has seating for 8 guests. The rest of the establishment consists of a kitchen, pantry, preparation area, walk-in cooler and rest rooms. The licensed premises space is compact and contiguous. There are no undefined spaces.

BUSINESS PLAN/OPERATIONS

The applicant indicates that Hammer & Sickle will be open 4:00 PM-2:00 AM Monday-Friday and 10:00 A.M. to 2:00 A.M. Saturday to Sunday. The applicant is applying for a Class E license, which allows entertainment in the form of a radio, television, electronically reproduced music, karaoke and jukebox. All employees will be required to undergo alcohol compliance training every 6 months. The applicant states that they will request valid identification from all patrons requesting alcoholic beverages, and employees who fail an

alcohol compliance check will be terminated. Employees who pass an alcohol compliance check will be given a \$100 bonus. The applicant's business plan states that they will keep any music being played at a minimal level, and do not expect any noise issues as they are not providing live entertainment. There will be an employee posted at the front entrance of the restaurant who will act as security on Friday and Saturday evenings. At the present time the applicant has no intent to sponsor competitive sports teams, nor do they plan to sponsor or permit charitable gambling activities. The applicant will clean up any litter within 100 feet of their establishment at the opening and closing of business hours.

The menu offers a variety of Eastern European foods, including appetizers, entrees and desserts ranging in price from \$6 to \$22. The menu also offers two different choices of caviar, ranging in price from \$65 to \$150. The applicant is also advertising an extensive vodka selection, offering over 55 different choices.

PUBLIC HEARING SUMMARY

A public hearing is not required for this license application.

RECOMMENDATION

The Licenses and Consumer Services Division recommends approving this application for an On-Sale Wine with Strong Beer, Class E license.

LICENSE CONDITIONS

None.